

TOWN OF DAVIE
TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: Herb Hyman/797-1016

PREPARED BY: Herb Hyman/797-1016

SUBJECT: Resolution

AFFECTED DISTRICT: All

ITEM REQUEST: Schedule for Council Meeting

TITLE OF AGENDA ITEM: CONTRACT AMENDMENT - A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 1 TO THE CONTRACT BETWEEN THE TOWN AND FIRST VEHICLE SERVICES, INC. FOR GARAGE MAINTENANCE OPERATIONS, AND PROVIDING FOR A TARGET BUDGET. (\$66,061)

REPORT IN BRIEF: The Town Council approved the selection of First Vehicle Services, Inc. for vehicle maintenance services by Resolution R-2007-335. The initial term of the contract is five (5) years. Each year of the contract, the "target amount" needs to be renegotiated to cover changes in the cost of parts, labor, etc. Amendment No. 1 is the negotiated target amount for the second year of this contract. The negotiated Amendment results in a 4.7% increase in the contract which equates to an additional \$66,061.00.

PREVIOUS ACTIONS: R-2007-335.

CONCURRENCES: The contract amendment was negotiated by the Town Administrator, the Budget & Finance Director and the Procurement Manager.

FISCAL IMPACT: Yes

Has request been budgeted? Yes

If yes, expected cost: \$1,473,110.00.

Account Name: Vehicle Maintenance-Contractual Repairs Account

RECOMMENDATION(S): Motion to approve the resolution.

Attachment(s): Contract Amendment

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NUMBER 1 TO THE CONTRACT BETWEEN THE TOWN AND FIRST VEHICLE SERVICES FOR GARAGE MAINTENANCE OPERATIONS, AND PROVIDING FOR A TARGET BUDGET.

WHEREAS, the Town awarded a contract for garage maintenance operations by Resolution R-2007-335; and

WHEREAS, amendments are required to accommodate changes to the contract and to adopt negotiated annual target budgets; and

WHEREAS, the Town has negotiated a new target budget as described in Attachment “A”; and

WHEREAS, after review, the Town Council wishes to authorize the Mayor to execute Amendment Number 1 to the contract between The Town and First Vehicle Services.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council authorizes the Mayor to execute Amendment Number 1 to the contract between The Town and First Vehicle Services attached hereto and identified as Attachment “A”.

SECTION 2. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2008

—

MAYOR/COUNCILMEMBER

Attest:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2008

**AMENDMENT ONE TO THE
AGREEMENT FOR MAINTENANCE AND MANAGEMENT SERVICES BETWEEN
THE TOWN OF DAVIE, FLORIDA
AND
FIRST VEHICLE SERVICES, Inc.**

This Amendment is made this 1st day of December, 2008 by and between the Town of Davie, Florida ("the City") and First Vehicle Services, Inc. ("the Contractor").

WHEREAS the Town and the Contractor now desire to amend the Current Contract and adjust the cost target, approved budget in accordance with Sections 3.05 of the Contract as described below.

NOW, THEREFORE, in consideration of the mutual covenants, promises and undertakings contained in the Contract and this Amendment, the Town and the Contractor agree as follows:

1. In accordance with section 3.05 of the Contract, the Approved Budget for the period of December 1, 2008 through November 30, 2009 shall be One Million, Four Hundred Seventy Three Thousand, One Hundred and Ten Dollars (\$1,473,110).

Except as expressly amended by this document, the Contract as previously executed remains in full force and effect and legally binding upon the City and the Contractor.

WITNESS:

TOWN OF DAVIE, FLORIDA

**Tom Truex, Mayor,
Town of Davie, Florida**

WITNESS:

FIRST VEHICLE SERVICES, Inc.

**Dale Domish, Senior Vice President,
First Vehicle Services, Inc.**

First  **Vehicle Services**

First Vehicle Services
1000 W. McNab Road
Pompano Beach, FL 33069
Phone: 561-578-0306
Fax: 561-404-4886

October 22, 2008

Herb Hyman
Procurement Manager
Town of Davie
6591 S.W. 45th Street
Davie, FL 33314

Dear Mr. Hyman:

I would like to thank you for your time today to review the annual contract cost. I feel we have the best fleet team in place to serve The Town of Davie. It is our intention to continue providing a high level of service to The Town of Davie as we strengthen our partnership going forward. Enclosed is our 2009/2010 contract year budget request.

There are several factors that attributed to the budget request and they are listed below:

1. There was an increase in the cost of parts due to the inflationary factors of the price of oil and the weak economy in general. The August **(CPI)** is 5.4%, and the September **(CPI)** is 5.7%, which I have included for your review
2. There has been a significant increase in insurance, healthcare and benefit costs to employers.
3. Labor cost has increased from prior year. The current **(CPI-W)** is 5.9%

I look forward to seeing you at the November 5th Council Meeting. Please call or e-mail me directly with any questions you may have.

A FirstGroup America  **Company**

First Vehicle Services

Town of Davie Florida Annual Budget

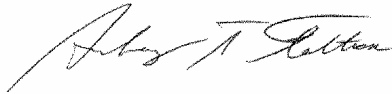
2008/2009

Contract Term

12/1/08 - 11/31/09

	<u>BUDGET</u> <u>2007/2008</u>	<u>Cost</u> <u>Adj</u>	<u>BUDGET</u> <u>2008/2009</u>
PARTS	\$ 482,570.00	5.00%	\$ 506,699
LABOR	\$ 709,924.00	5.00%	\$ 745,420
OVERHEAD EXPENSE	\$ 73,591.00	3.00%	\$ 75,799
ADMINISTRATIVE EXPENSE	\$ 70,482.00	3.00%	\$ 72,596
MANAGEMENT FEE	\$ 70,482.00	3.00%	\$ 72,596
TOTAL	\$ 1,407,049.00	4.70%	\$ 1,473,110

Regards,



Aubrey Felton
Regional Vice President
First Vehicle Services
1000 West McNab Road
Pompano Beach, Florida 33069